

2226  
PRINCIPAL

CUSTODIAN

FRITZ VON OPEL

TRUST NO 15599

MAIN ACCOUNT

INTEREST  
COMMISSION

Trust No. Date

Items

Debit

Credit

1931

15599P NOV 18 AS OF NOV 17 TRANSFERRED FROM A/C N C B OF NY  
AS INSTRUCTED BY GEHEIMRAT WILHELM VON  
OPEL

432 116 49

15599P NOV 19 AS OF 11/18/31 TRANSFERRED FROM N C B OF N Y  
AS INSTRUCTED BY GEHEIMRAT WILHELM VON  
OPEL

431 843 23

DO DO TRANSFERRED FROM NATIONAL CITY BANK OF  
N Y AS INSTRUCTED BY GEHEIMRAT WILHELM  
VON OPEL

432 480 84

15599P NOV 20 TRANSFERRED FROM N C B DEMAND A/C BY ORDER  
OF GEHEIMRAT WILHELM VON OPEL

432 845 19

15599P NOV 21 TRANSFERRED FROM NATIONAL CITY BANK OF  
N Y AS INSTRUCTED BY GEHEIMRAT WILHELM  
VON OPEL

432 936 27

15599P NOV 24 TRANSFERRED FROM N C B OF N Y AS INSTRUCTED  
BY GEHEIMRAT WILHELM VON OPEL

432 526 62



2227

## Defendant's Exhibit 57.

## LIST OR MANIFEST OF OUTWARD-BOUND

S.S. "EUROPA" FIRST CLASS—Passengers sailing from NEW YORK, OCTOBER

Family name	Given name	Age	Sex	Country of which citizen or subject (nationality)	Country where you are going to live	Country of birth	Country where you lived before coming to the United States	Last arrival; in continental United States or insular possessions Date	P
			M	GERMANY	GERMANY	GERMANY	GERMANY	9.27.1931	NEW
			F	DO	DO	DO	DO	9.27.1931	D
VON OPEL	FRITZ	35	M	DO	DO	DO	DO	10.15.1931	D

S.S. "EUROPA" FIRST CLASS—Passengers sailing from NEW YORK, OCTOBER 31st, 1931 Bound for Port of CHE

SMITH JOHN THOMAS	52	M	U.S.A.	U.S.A.
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it 57

BOUND PASSENGERS

1, OCTOBER 31st, 1931 Bound for Port of BREMEN

Arrival; in continental States or insular possessions	Port	Where you last lived (last permanent residence) in the United States or insular possessions		Race or people	Calling or occupation	Married or single	Whether able to	
		City	State				Read	Write
31	NEW YORK	NEW YORK	N.Y.	GERMAN		M	Y	Y
31	DO	DO	N.Y.	DO	H. WIFE	M	Y	Y
31	DO	DO	N.Y.	DO	INDUSTRIAL	M	Y	Y
.	.	.	.	.	.	.	.	.

Port of CHERBOURG







**Defendant's Exhibit 58**

10. Nov. 1931

Genemoleg

New York.

Bradley Geheimrat under Fritzs advice has withdrawn proposition to retain one half stop settlement should be carried out pursuant to letters of instruction

Smith

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**Defendant's Exhibit 59**

FVO to Mason Houghland, London, England—8/14/37

—Telegram:

"Hope to arrange seeing you somewhere on you(r) way back. Please mail me probable route you take. Regards—  
FVO Kanpen Sylt."

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**Defendant's Exhibit 60**

Cable—8/4/37—to Houghland, St. Anganagh Castle—  
Hotel Shankill, Eire:

"Would your plans permit seeing me in or near Hamburg any date after Aug. 25. Beaueoys de plaisir. Regards Opel  
Zurich Dolder Hotel"

## Defendant's Exhibit 61

On FVO Stationery:

Kampen Sylt  
Aug. 23, 1937

Dear Mason:

Many thanks for your cable informing me about the trip you intend to take to Tyrol. I hope very much you enjoyed the journey you had and that your route took you from Frankfurt or Mainz either through the Black Forest (Baden Baden and Freudenstadt) or via Rothenburg & Nurnberg, where the Party-Congress is just being prepared.

In Munich of course you will be able to find your way all by yourself. I very much recommend a visit of the "Deutsche Museum" (Museum of Technic) and the WEW & OH Art Galleries.

Leaving Munich you will surely take the most wonderful Reichs-Antobahn (State Auto Road) to Salzburg. On the way back from Tyrol, I suggest you the following route which brings you to the finest spots of Switzerland and Northern Italy:

Salzburg—Landick—St. Moritz (6 & 7 hours). Stop in the Palace Hotel or Suvretta-House in St. Moritz. Visit from there by car (1½ hours trip) Morteratsch Glacier and go up by the funicular to Zmottas Muraugh. From St. Moritz take the Maloya Pass to Italy. On the way down have a look at the small village of Soglio (1 hour extra).

From the Italian border take the new Gundria-Road to Lugano. On your way along the Lake of Lugano stop 10 minutes at Gandria, a village of fishermen. Take lunch in Lugano and continue to Stresa (Sago Maggione). Stop over night at Hotel des Isles Boromae. Visit next morning the Boromae Islands. From Stresa follow the Lago Mag-



giori to Locarno and over the 3 passes to Gotthard, Turia, Gransel to Lucerne. Stop a day in Lucerne & Clarne alongside the Vierwaldstaetter See to Kuessnacht & back.

You can of course save a day or two by dropping the detour from Lugano to Stresa and Locarno going directly from Lugano to the St. Gotthard Pass.

From Lucerne go to Zurich (2 hours) and stop there at the Grand Hotel Dolder. My friend and banker Dr. Frankenberg who lives there will be very glad seeing you. From Zurich you can go to Paris either directly or over Verdun, visiting the battlefields, what as I remember you have done already.

As I do not know how many time(s) you are going to spend in Europe and we(a)ther at all and when you pass Zurich I can off-hand not tell you we(a)ther I can arrange to see you there, especially as I don't know we(a)ther you leave from Hamburg, Bremen or Cherbourg. As things look now, I shall remain here till September 15th, then leave from Berlin, Wiesbaden and Budapest. In the second half of October I am sailing to New York, Lowell (see Chapter 77 by of the bankruptcy law) and Shreveport. On the way back or forth I naturally would very much like seeing you in Nashville.

A fortnight ago I had a conference with Crittendon and Bayer in Zurich who with Mrs. Crittendon and Mrs. Bayer made the trip above mentioned; which they very much liked. They are sailing Aug 26th on the Manhattan.

I very much hope that Mrs. Houghland and you will enjoy this new trip through Europe and that there will be an opportunity for me of joining you for some time in Hamburg or Berlin.

With heartiest regards to you both

Your

FVO (signed)

**Defendant's Exhibit 62**

Opel cable—Kampen Sylt, August 28, 1937:

"Pleased meeting you morning September Vierzehn  
Hotel Vier Jahreszeiten Hamburg Frankenburg not present  
in Zurich Regards Opel

To Houghland—American Express, Venice"

**Defendant's Exhibit 63**

Houghland telegram—7/20/39:

"Coming abroad when can I meet you for 1 or 2 days  
preferably during 1st half of August"

To FVO Chatlet Kulm, St. Moritz, Switzerland.

**Defendant's Exhibit 64**

Telegram FVO (Kampen Sylt) to Nash Spur Dists. Co.,  
7/22/39:

"Would meet you any time Hamburg but would like both  
of you to come to our estate near Cologne after Aug 18  
Regards"

**Defendant's Exhibit 65**

Telegram 7/22/39 of Houghland to Opel in Kampen  
Sylt:

"Delighted to accept invitation Suggest about Aug 25  
if convenient to you. Address American Express London—  
Houghland"



## Defendant's Exhibit 66

## CONFERENCE IN WASHINGTON

APRIL 20, 1935

*Present:*

B. Bernstein, attorney of the Treasury Department, at the start of the conference another gentleman who left immediately after the introductory sentences, a female office employee, who, however, did not participate in the conference, but was engaged in other matters.

*Dr. Eugen Meier,*

*Dr. Schlatter* of the Swiss embassy.

Mr. Bernstein spoke English, I spoke German; Dr. Schlatter interpreted.

Upon my request that a decision should be rendered in the pending matter if possible during my stay in the United States so that I may take the necessary measures, Mr. Bernstein replied that the decision in this case was difficult and that therefore final disposition had not been made as yet. Several items, without which a decision could not be reached, have not been clarified until now. In regard to these points, he then proceeded to question me as follows:

1. *Relations of Mr. Fritz von Opel to Uebersee.*

"I answered, in accordance with the information given at the time by wire, that he was stockholder, depositor of assets, and from time to time technical advisor to the company.

Upon the question as to the stock holdings of Mr. F. von Opel I replied that I did not know since we had bearer shares. I knew positively that no American citizen and no person having residence in America was a stockholder. Mr. Bernstein insisted that it should be known to me whether Mr. von Opel had a controlling interest; I replied that a group of which Mr. von Opel was a member had a controlling interest but that I did not know the composition of that group. If my information was correct, that group also included other members of the von Opel family. The extent of the participation of Mr. F. von Opel was not known to me.

I answered negatively to the question whether Mr. F. von Opel was a member of the management. I described the full powers as a limited authority to act and to sign [Handlungsvollmacht] granted on March 17, 1933 which was of limited duration and had been revoked in the meantime, and which did not make Mr. von Opel a representative organ of the company.

I answered negatively to the question whether other stockholders had acted for the company in similar fashion.

## *2. Business of the Uebersee.*

In regard to the nature of the business of the Uebersee I referred to section 2 of the by laws and remitted a notarized copy of the by laws as well as an excerpt from the commercial register, Zurich, which shows that Dr. Frankenberg, Dr. Henggeler, and Dr. Maier are members of the board of directors.

Questioned regarding the nature of the banking operations, I declared that they consisted mainly of the administration of property.

When questioned about the place where business is transacted, I stated Switzerland and denied that business was transacted in the United States, but held that only



investments of capital had been made here. The amount and composition could be determined from the statements made by Mr. Friedrich Willie of Ladenburg, Thalmann & Co., which could be found in the files. When asked about the existence of other assets particularly other gold in the U.S., I answered in the negative. I replied in the affirmative the question whether a considerable part of the property was located in the U.S.

### 3. *Assets of the corporation.*

Mr. Bernstein then questioned me regarding the amount of the assets and liabilities of the corporation. I stated these to be approximately 7 million francs. He demanded the balance sheet of the corporation whereupon I handed him the balance sheet as of December 31, 1934.

### 4. *Relations to Mr. Hoffacker and the firm Theodore Hoffacker & Co.*

When questioned on above, I declared that I had absolutely no knowledge of such relations, and that also nothing was known to me of an exchange of letters or telegrams between Uebersee and Mr. Hoffacker or the firm Theodore Hoffacker & Co. Mr. Bernstein then asked about the relations between Mr. Fritz von Opel and Mr. Hoffacker or the firm Theodore Hoffacker & Co. I replied that it was not known to me whether such relations existed.

Finally Mr. Bernstein also questioned me about the purpose of my coming to the United States, whereupon I stated that I had come in order to intervene in the matter of the release of the gold.

2236

Dr. Frankenberg, for information  
with best regards

[Signature]

May 18, 1935.

Defendant's Exhibit 67

TELEGRAM

June 14, 1936

NLT Bank Adler  
Zurich (Switzerland)

Inform Henggeler sale of stock to if possible more than eleven purchasers, to be effected immediately, not later than end of month. Stop. Subject to above condition consent to retention by bank of equivalent in dollar credit until mutually agreeable clarification of question of margin. Stop. Payment of interest on remainder of guaranty by Adler. Cable consent.

Frankenberg

Hotel Pierre New York.

Hoffacker Room 1310



## Defendant's Exhibit 68

IN THE  
TREASURY DEPARTMENT  
OF THE UNITED STATES

In the Matter of the Application of FRITZ VON OPEL for a License under the provisions of Executive Order No. 6560 of January 15, 1934, and subsequent Executive Orders.

CITY OF NANTUCKET  
COUNTY OF NANTUCKET  
COMMONWEALTH OF MASSACHUSETTS, ss.:

FRITZ VON OPEL, being duly sworn, deposes and says:

I am 42 years of age. I am a citizen of and hold a passport from the Principality of Liechtenstein. I was born a German but renounced my German citizenship in 1939 and became a citizen of Liechtenstein. I have been in the United States since May 9, 1940; when I arrived here on a visitor's visa. I now have pending an application for an extension of my visa until May 13, 1942. My wife and I are now living on the island of Nantucket, where we have rented a house for the summer months. My wife immigrated from Cuba in May 1941, and I intend to do likewise. We have no children.

I left Germany in the Fall of 1929 and have since resided outside of Germany, most of the time in Switzerland. I have no property in Germany. I took all my property out of Germany under circumstances hereinafter described.

After leaving Germany in 1929, I spent two years in the United States and in Belgium in the employ of General Motors Corporation (1930-31). In the meantime, the

economic and political situation in Germany had undergone such a drastic change that I decided not to return to Germany at all, but to invest practically all my funds, i.e., all the property I received from my father by a deed of gift, hereinafter referred to, in the United States.

By profession I am a mechanical engineer. I hold a degree as such from the Darmstadt Hochschule in Germany. After graduating from the University in 1923 or 1924 I was employed as mechanical engineer in the Adam Opel Motor Works at Russelsheim-am-Main, Germany. The Adam Opel Motor Works was a family enterprise organized as a partnership and engaged in the manufacture of motor cars at Russelsheim, with various branches in other parts of Germany. The factory had originally been founded by my grandfather, Adam Opel, in 1862, for the manufacture of sewing machines, bicycles, etc.

My father (Wilhelm Von Opel) and his brothers inherited the business from my grandfather and continued to conduct it as a partnership. In time the business grew to very large proportions. In 1928 it was the largest automobile concern in Germany. My father, my uncle, Dr. Fritz Opel, the heirs of Heinrich von Opel, and the heirs of Karl von Opel, were then the only partners in the business.

In 1928 the Adam Opel Motor Works was reorganized as a corporation under the title Adam Opel Aktien Gesellschaft, with the former partners as shareholders. The capitalization of the new company was 60,000,000 Reichsmarks divided into 6,000 shares of a par value of 10,000 Reichsmarks each.

In March or April 1929, the stockholders of Adam Opel A.G. sold to General Motors Corporation 80% of the stock of Adam Opel A.G. Of the remaining 20%, one-half, or 10%, was retained by my father.

In October 1931, my father made me a gift of his 10% of the stock of Adam Opel A. G., having a par value of 6,000,000 Reichsmarks. My father reserved certain rights



in that stock and in its proceeds, but in 1937 my father surrendered all such rights.

In April 1929 my father had deposited said 10% of stock with the National City Bank in New York under an agreement whereby he had a right to call upon General Motors to buy the stock at certain agreed prices, while General Motors had an equal right to call upon my father to sell said stock to General Motors.

In November 1931, General Motors Corporation bought said 10% of the stock, the purchase price amounting to \$3,737,748.64. The purchase price was paid part in cash and part in General Motors stock. They paid \$2,594,748.64 in cash and delivered 47,625 shares of General Motors common stock. Subsequently this stock was sold and the proceeds were deposited in my name in the City Bank Farmers Trust Company, where also the cash received from General Motors Corporation had been deposited.

During November and December 1931 substantially all the cash in my accounts with the City Bank Farmers Trust Company was invested in high-grade American securities upon cable instructions from me to City Bank Farmers Trust Company.

In 1931 I bought substantially all of the outstanding capital stock of a Swiss corporation, organized in 1922, known as Uebersee Finanz Korporation A.G.\* The entire purchase price of Uebersee stock was paid out of the proceeds of the sale of said 10% of Opel stock, which I received as a gift from my father.

In May 1932, I transferred to Uebersee's account with City Bank Farmers Trust Company in New York, all the securities and all the cash the Trust Company then held in my accounts, these constituting the proceeds of the sale of said 10% of Opel stock to General Motors Corporation.

\* I shall refer to this hereafter as "Uebersee"

The total cost of the securities so transferred, plus the cash likewise transferred to Uebersee, amounted to approximately 12,000,000 Swiss francs. In this wise I became and still am a creditor of Uebersee in that amount.

In about 1936 I sold the stock of Uebersee to Swiss citizens, who now own it. I am not a stockholder nor director or officer of Uebersee, but act as its adviser in technical matters. As set out above, however, I am its principal creditor.

By far the greatest part of the proceeds of the sale of the 10% of the Opel stock to General Motors have been invested in various American enterprises, which I shall now mention. Besides these American interests, Uebersee has only relatively small investment consisting of a plantation in British East Africa, a part interest in a mine in Hungary, which is operated under a five year lease by Hungarians, and a house in St. Moritz, Switzerland.

The important American investments of Uebersee are in Harvard Brewing Co. and Spur Distributing Co.:

Harvard Brewing Co., a Delaware corporation organized in December 1932, is engaged in the business of manufacturing and distributing malt beverages. Its brewery is located in Lowell, Mass., and it does business exclusively in the New England States. Uebersee owns approximately 345,000 out of the 625,000 shares of common stock of Harvard outstanding.

Spur Distributing Co. Inc., is also a Delaware corporation organized in 1928. It is engaged in operating a gasoline distributing system through a chain of filling stations in states east of the Mississippi River. It also distributes mineral oil, tires and soft drinks. Uebersee owns approximately 73,000 out of 139,000 shares of common stock of Spur outstanding.\*

\* Spur has two affiliated companies: Winn Oil Co. and Ajax Transportation Co.



Uebersee also had large investments in other oil companies, such as Oil Refineries, Inc., Oil Production, Inc., and Hurricane Petroleum Corp., all Louisiana corporations. These corporations owned oil leases, produced crude oil and operated refineries. Within the past two years these corporations have met financial reverses resulting in a very substantial loss to Uebersee.

Uebersee owns all the stock of the following corporations:

1. Amerlagene, Inc. of Shreveport, La., engaged in crude oil production and in liquidating certain production refinery and pipe-line assets formerly owned by Hurricane Petroleum Corp.
2. Westminster Industrial Corp., a New York corporation with an office at 630 Fifth Avenue, New York City, engaged in financing small accounts, especially financing patents and the development of new manufacturing methods.
3. Ergo Machine Works, a New Jersey corporation, located in Dunellen, N. J., engaged in general machine work.

This affidavit is being submitted primarily in support of the application (N. Y. 169054) made by W. L. Schoenheimer for permission to open a \$25,000. credit in my favor pursuant to cable instructions from Adler & Co. of Zurich, Switzerland. Further than that, however, I want to present to the Government a comprehensive statement of my relation to and interest in Uebersee, which controls the American enterprises hereinabove referred to. Every one of these enterprises, by reason of the foreign interest therein, i.e., the interest of Uebersee, may be under necessity of applying for licenses under the Executive Orders and Regulations. If in connection with these applications informa-

tion is required as to the nature and extent of that foreign interest, perhaps this affidavit will serve a useful purpose.

(Signed) FRITZ V. OPEL

Sworn to before me this  
30th day of July, 1941.

ALBERT F. EGAN  
Notary Public  
Nantucket City  
Nantucket, Mass.

### Defendant's Exhibit 69

Application No. NY246362

STATE OF NEW YORK }  
COUNTY OF NEW YORK } ss.:

ISIDOR J. KRESSEL, being duly sworn deposes and says:

On September 12th, 1941, I filed an application on behalf of Overseas Finance Corporation of Liestal-Basle, Switzerland, for a license permitting it to draw 25,000 Swiss Francs (approximately \$6,000) out of an account which its bankers, Adler & Co. of Zurich, Switzerland, maintain for the applicant's benefit with Arnhold & S. Bleichroeder, Inc., investment bankers, 30 Broad Street, New York City.

On October 19th, 1941, I received a letter from the Federal Reserve Bank of New York requesting information concerning the applicant on Treasury Form TFB-1 (Revised). I submit herewith the information required, as far as it has been made available to me; I cannot give any of the information upon my own knowledge:

1. The name of the business enterprise is the Overseas Finance Corporation (Uebersee Finanz Korporation A.G.);



it was organized under the laws of Switzerland in 1922 and has been operating as a holding company since that time; the principal office is located at Liestal-Basle, Switzerland; it has no other branches, subsidiaries, affiliates, or sales offices located outside of the United States.

2. Report on TFR-100 has not yet been filed.

3. The applicant is a holding company, having its principal investments in the United States. The chief investments in the United States are in the following corporations:

Harvard Brewing Co.,  
Lowell, Mass.

a Delaware Corporation

Spur Distributing Co.  
Nashville, Tenn.

a Delaware Corporation

Amerlagene, Inc.  
Shreveport, La.

a Delaware Corporation

Westminster Industrial  
Corporation,  
630 Fifth Ave., N. Y. C.

a New York Corporation

Ergo Machine Works Inc.  
Dunellen, N. J.

a New Jersey Corporation

4. The directors of the applicant are:

Dr. Eugene Meier, Liestal-Basle, Switzerland

Dr. Joseph Henggeler, Zurich, Switzerland

Dr. Hans Frankenberg, Hotel Ritz-Carlton, New York City

Dr. Frankenberg, a Haytian national, immigrated to the United States from Cuba on March 25, 1941.

Dr. Meier and Dr. Henggeler are Swiss nationals.

5. Deponent has no information with respect to the names, addresses, present whereabouts and nationality of persons directly or indirectly controlling the business enterprise, except that Fritz von Opel is its principal creditor for about 12,000,000 Swiss Francs. The certificates of stock of the applicant are, I am informed and believe, made out as "bearer" shares and there is no information as to the identity of the owners of the stock.

6. The business has not since January 1st, 1939, nor is it presently affiliated with, owned by, or possessed of any interest in any other enterprise, foreign or domestic, (except as noted under Number "3" above) and except that it has a small investment in a plantation in British East Africa, a part interest in a mine in Hungary, operated under a five year lease by Hungarians, and a house in St. Moritz, Switzerland. To deponent's best knowledge, information and belief, there have been no transactions since January 1st, 1939, having as their effect any material change in its affiliations, ownerships or interest.

7. The applicant has no funded debt outstanding. It has outstanding only one class of stock.

8. The principal assets of the corporation consist of:  
approximately 345,000 shares of common stock of Harvard  
Brewing Company

approximately 73,000 shares of common stock of Spur  
Distributing Company, Inc.

all the stock of Amerlagene, Inc., Westminster Industrial  
Corp. and Ergo Machine Works.

The other assets are enumerated in paragraph "6" hereof.

The principal assets, consisting of the shares in the  
aforementioned corporations, are in the United States. The  
remaining assets are in Switzerland.



As far as the undersigned has been informed the liabilities of the corporation in addition to those for which this application seeks to make payment, are approximately 12,000,000 Swiss Francs due to Fritz von Opel, a citizen of the Principality of Liechtenstein, who has been in the United States since May 9th, 1940 on a visitor's visa and who resides at the Hotel Delmonico, New York City.

The undersigned has no information available bearing on questions (a), (b) and (c) except as shown in the application in support of which this affidavit is submitted, from which it appears that the applicant maintains a dollar account with Adler & Co. its bankers in Zurich, Switzerland, who in turn are holding said dollar balances with Arnhold & S. Bleichroeder, Inc., investment bankers, of 30 Broad Street, New York City, in an account called "Adler & Co. re Overseas". The amount in said dollar account as of September 12th, 1941, the date of this application, was approximately \$60,000.

9. No person or enterprise owns, controls or licenses the use of any patents, copyrights, machinery, processes or operating methods used by the Corporation.

10. There are no agreements between the applicant and any other persons, which have as their purpose or effect influence or control by such other persons over the business enterprise conducted by the Corporation, or by the Corporation over such other persons.

11. The applicant is a holding company and has no regular monthly income. Its expenditures consist mainly of the payment of taxes in Switzerland, as shown in Number "12" below, and also for the payment of directors' salaries and accountants' fees which amount to approximately 1,200 Swiss Francs a month.

12. The transactions or operations to be covered by the license for which application is filed are the payment of various liabilities of the applicant, as follows:

(amounts stated are in Swiss Francs)

"Cantonal Tax St. Moritz, 1940, due September 1941	2,500
National Defense Sacrifice Overseas Vermag due March 1st, 1941	5,800
House Tax St. Moritz, due October 1st, 1941 for 1940	500
Interests and Capital installment Grisons Kantonal Bank for period April 1st to October 1st, 1940	2,750
April 1st, 1941, for 6 months	2,750
Electric Power Company St. Moritz, due December 31st, 1941 for 3 months	500
Administration Fees and Bookkeeping January 1st, to October 1st, 1941	7,500
October 1st to December 31st, 1941	2,500
Cable expenses and Bank expenses to December 31st, 1941	1,200

The above information is given by me as attorney for Overseas Finance Corporation in response to questionnaire Form TFBE-1 of the Treasury Department. Such affidavit has been prepared by me; I have no personal knowledge of



the facts set forth herein, and I allege them on information and belief; I have no knowledge of any material facts or pertinent information called for by such questionnaire that have been omitted except as specifically indicated above.

(Signed) ISIDOR KRESEL

(Signed) 15 Broad St., N. Y. C.

Subscribed and sworn to before  
me this 16th day of October, 1941

(Signed) WM. PEYTON MARIN

WM. PEYTON MARIN  
Notary Public, Kings County  
Kings Co. Clks. No. 443, Reg. No. 3042  
N. Y. Co. Clk's No. 445, Reg. No. 3M299  
Commission expires March 30, 1943

## Defendant's Exhibit 70

[EXCERPTS]

INVENTURENBUCH  
VOM 1. JANUAR. 1937

INVENTUR PR 31. DEZEMBER 1938

AKTIVA.

1. ....

2. ....

3. ....

4. BETEILIGUNGEN

*Ajax Transportation Inc.*

7304 Shares

63 837

*Spur Distributing*

73039 Shares

1 882 021 95

*Harvard Brewing Corp.*

355760 Shares

1 965 000 —

*Hurricane Oil Sales Corp.*

250 Shares

109 000 —

*Hurricane Petrol Corp.*

2194 Shares

1 578 262 51

Note

886 000 —

Conto-Corrent

287 110 —

2 751 372 51

*Hurricane Experimental*

Konto-Korrent

516 680 —

*Oil Payments Trippit*

Konto-Korrent

1 999 090 —

*Transdanubia Bauxit*

Pengö 90000.— Aktien

78 750 —

Konto-Korrent

84 146 90

162 896 90

*Vermag, A.G. Zürich*

100 Aktien

70 000 —

## INVENTUR PR. 31. DEZEMBER 1939

## AKTIVA

1. ....  
 2. ....  
 3. ....  
 4. BETEILIGUNGEN

*Ajax Transport Inc.*

7304 Shares ..... 63 837 —

*Harvard Brewing Corp.*

355760 Shares ..... 1 965 000 —

*Harvard Brewing Corp.*

1 Certif. a/250 Sh. No. 1 ..... 100 000 —

*Harricane Oil Sales Corp.*

2194 Shr. .... 578 262 50

Note \$.200 00. .... 886 000 —

Konto-Korrent \$64808.70 ..... 287 110 —

Darlehen m/ Prov. \$101500. .... 449 645 —

Experimental-Fond ..... 400 000 —

Separate Oil Paym. \$12821.81 ..... 57 276 60    3 658 294 10

*Oil Payments Trippet*

Konto-Korrent ..... 1 810 872 35

*Spur-Distributing*

73039 Shares ..... 1 882 021 95

*Transdanubia Bauxit A.G.*

Pengö 300 000. — Akt. 30% ..... 78 750 —

einbez.

Konto-Korrent ..... 89 453 40    168 203 40

*Vetmag A.G.*

100 Aktien (70%) ..... 70 000 —



## INVENTUR PR. 31. DEZEMBER 1940

## AKTIVA

1. ....

2. ....

## 4. BETEILIGUNGEN

*Ajag Transp. Inc.*

7304 Shares

63 837 —

*Harvard Brewing Corp.*

345760 Shares

1 878 342 —

*Hurricane (i. Konkurs)*

47860 Shares ..... 1 687 262 50

./: Abschreibung 67 262 50 1 620 000 —

Note ..... 885 000 —

Konto-Korrent ..... 287 110 —

Payment &amp; Provis. .... 449 645 —

" 20.II.40. .... 223 000 —

" 19.III.40. .... 267 600 —

Oil Payments ..... 147 920 20

Experimental Fonds ..... 400 000 —

Payments Trippett ..... 1 718 679 50 5 999 954 70

*Spur Distributing*

73039 Shares

1 882 021 95

*Transdanubia Bauxit*

Aktien Pengö 90,000. — 78 750 —

Konto-Korrent ..... 102 360 — 181 110 —

*Vermag.*

100 Aktien

70 000 —

## INVENTUR PR. 31. DEZEMBER 1941

## AKTIVA

1. ....		
2. ....		
3. BETEILIGUNGEN		
<i>Ajax Transportation Inc.</i>		
7304 Shares .....		63 837 —
<i>Harvard Brewing Corp.</i>		
345760 Shares .....		1 878 342 —
<i>Hurricane (im Konkurs)</i>		
Guthaben lt. Betellig. Blatt .....	5 059 613 55	
./. Abschreibung .....	159 613 55	4 900 000 —
<i>Spur Distributing</i>		
73039 Shares .....		1 882 021 95
<i>Transdanubia Bauxit</i>		
Aktien Pengö 90000. — .....	58 750 —	
Konto-Korreht .....	109 913 50	188 663 50
<i>Westminster Industrial Corp.</i>		
Beteiligung \$10,000. — .....		43 000 —

## INVENTUR PR. 31. DEZEMBER 1942

## AKTIVA

1. ....

2. ....

## 3. BETEILIGUNGEN

*Ajax Transportation Inc.*

7304 Shares .....

63 837 —

*Harvard Brewing Corp.*

345760 Shares .....

1 878 342 —

*Hurricane (i. Konkurs)**Guthaben lt. Beteilig. Blatt* .....

4 900 000 —

*Spur Distributing*

73039 Shares .....

1 882 021 95

*Transdanubia Raucit*

Akt. Pengö 90000.— .....

78 750 —

Konto-Korrent .....

109 948 50

188 668 50

*Westminster Industrial Corp.*

Beteiligung \$10000.— .....

43 000 —



## INVENTUR PR. 31. DEZEMBER 1943

## AKTIVA

1. ....

2. ....

## 3. BETEILIGUNGEN

*Ajax Transportation Inc.*

7304 Shares ..... 63 837 —

*Harvard Brewing Corp.*

345760 Shares ..... 1 878 342 —

*Hurricane (i.Konkurs)*

Guthaben lt. Beteiligungsblatt ..... 4 900 000 —

*Spur Distributing*

73039 Shares ..... 1 882 021 95 —

*Transdanubia Bauxit*

Akt. Pengö 90000,—	78 750,—	
Konto-Korrent	109 918 50	188 668 50

*Westminster Industrial Corp.*

Beteiligung \$10,000.— ..... 43 000. —

## INVENTUR PR. 31. DEZEMBER 1944

## AKTIVA

1. ....

2. ....

## 3. BETEILIGUNGEN

## a. AMERIKA.

*Ajax Transportation Inc.*

7304 Shares

63 837 —

*Harvard Brewing Corp.*

345760 Shares

1 878 342 —

*Hurricane (i. Konkurs)*

Guthaben lt. Beteiligungsblatt

4 900 000 —

*Spur Distributing*

73039 Shares

1 882 021 95 ;

*Westminster Industrial Corp.*

Beteiligung \$ 10.000.—

43 000 —

## b. UNGARN.

*Transdanubia Bauxit*

Akt. Pengö 90000.—

78 750 —

Konto-Korrent

109 918 50

188 668 50

# INVENTUR PER 31. DEZEMBER 1945

## AKTIVA.

1. ....

2. ....

## 3. BETEILIGUNGEN:

## a. AMERIKA

*Westminster Industr. Corp.*

Beteiligung \$10000.— ..... 43 000 —

*Ajax Transportation Inc.*

7304 Shares ..... 63 837 —

*Harvard Brewing Corp.*

345760 Shares ..... 1 878 342 —

*Hurricane (i. Konkurs)*

Guthaben lt. Beteiligungsblatt. 4 900 000 —

*Spur Distributing*

73039 Shares ..... 1 882 021 95 8 767 200-95

## b. UNGARN

*Transdanubia Bauxit*

Aktien, Pengö 90000.— ..... 78 750 —

Konto-Korrent ..... 109 918 50

188 668 50

abzgl. Abschreibung ..... 8 668 50

180 000 —



## INVENTUR PR. 31. DEZEMBER 1946

## AKTIVA.

1. ....

2. ....

## 3. BETEILIGUNGEN

## a. AMERIKA.

*Westminster Industr. Corp.*

Beteiligung \$10000.— ..... 43 000 —

*Ajax Transportation Inc.*

7304 Shares ..... 63 837 —

*Harvard Brewing Corp.*

345760 Shares ..... 1 878 342 —

*Hurricane (i.Konkurs)*

Guthaben lt.Beteilig.-Blatt..... 4 900 000 —

*Spur Distributing*

73039 Shares ..... 1 882 021 95    8 767 200 95

## b. UNGARN.

*Transdamubia Bauzeit*

Stand a/1.Jan.46 (Seite 54)..... 180 000 —

abzgl. Abschreibung ..... 179 999 —

1 —

INVENTUR PR. 31. DEZEMBER 1947  
AKTIVA.

1. ....  
2. ....  
3. BETEILIGUNGEN.

a. AMERIKA.

*Westminster Industrial Corp.*

Beteiligung \$.10000.— ..... 43 000 —  
A.P.C.

*Ajax Transportation Inc.*

7304 Shares ..... 63 837 —  
A.P.C.

*Harvard Brewing Corp.*

345760 Shares ..... 1 878 342 —  
A.P.C.

*Hurricane (i. Konkurs)*

Guth.lt.Beteiligungs-Blatt ..... 4 900 000 —  
A.P.C.

*Spur Distributing*

73039 Shares ..... 1 882 021 95 8 767 200 95<sup>0</sup>  
A.P.C.

b. UNGARN.

*Transdanubia Bauxit*

(Tr.188668.50) pro memoria....

## Defendant's Exhibit 71

(Translated from a photostat of the German original)

16

Adler &amp; Co., Banquiers

Zurich, March 23, 1942

Overseas Finance Corporation Limited  
Liestal

Subject: Guaranty given by the Swiss Bank Corporation, Zurich in the amount of Fr. 32,000.00 to the Hungarian Escompte and Wechsler-Bank, Budapest.

Pursuant to the telephoned instructions given by Dr. J. Henggeler on March 20 we have caused the Swiss Bank Corporation to extend until June 30, 1942 its guaranty of Swiss Francs. 32,000 to the Hungarian Escompte and Wechsler-Bank, Budapest. Because of the fact that the time limit expires on March 21, this was done by telegram.

We take the liberty of debiting you, as of today, with a quarterly commission of one half percent for the period from March 31, 1942 to June 30, 1942 in the amount of

Fr. 160. and

Fr. 7.20 Telegram expenses, incurred by the  
Swiss Bank Corporation

Fr. 167.20

Kindly make the corresponding entries on your books.

Very truly yours,

Adler & Co. A.G.  
(two illegible signatures)



## Defendant's Exhibit 72

June 6, 1942

Bankhaus Adler & Cie.  
P. O. B. Fraumunster, Zurich

Aktiengesellschaft

In answer to your letter of the 4th inst. we would appreciate if you extended the loan for the Transdanubia Bauxit A.G., Budapest with the Schweizerische Kreditanstalt, Zurich, in the amount of Fr. 32,000, until September 21, 1942.

Very truly yours,

## Defendant's Exhibit 73

(Translated from a photostat of the  
German original)

68

Adler &amp; Co., Banquiers

Zurich, 1 September 22, 1942

Overseas Finance Corporation, Limited  
Liestal.

Subject: Guaranty of Francs 32,000.00 given by the Swiss Bank Corporation, Zurich to the Hungarian Escompte and Wechsler-Bank, Budapest.

In accordance with instructions, given over the phone by Dr. J. Henggeler on September 19, we have caused the Swiss Bank Corporation, Zurich, to extend until December 31, 1942 its guaranty of Francs 32,000 given to the Hungarian Escompte and Wechsler-Bank, Budapest. We have requested the mentioned bank to wire the extension in view of the expiration of the period in Budapest on September 21.

We debit your account, as of today, with the quarterly commission of 1/2 percent payable for the period from

September 30, 1942 until December 31, 1942 in the amount of

Francs 160.00 and

Francs 9.20 for telegram expenses incurred by the Swiss Bank Corp., Zurich

totaling " 196.20

Kindly, make the corresponding entries on your books,

Very truly yours,

Adler & Co.

(two illegible signatures)

**Defendant's Exhibit 74**

(Translated from a photostat of the German original)

Adler & Co., Banquiers

Zurich, November 17, 1942

Overseas Finance Corporation Limited,  
Liestal.

Subject: Guaranty of Francs 32,000.00 given by the Swiss Bank Corporation, Zurich, to the Hungarian Escompte and Wechsler Bank, Budapest.

We have been advised by the Swiss Bank Corporation, Zurich that the Transdanubia Bauxit A.G. has repaid the loan arranged, some time ago with the Hungarian Escompte and Wechslerbank, Budapest, for your account by Fritz von Opel. Accordingly, the guaranty extended by the Swiss Bank Corporation for this loan, in the amount of Francs 31,000.00 has lapsed.

We have credited, therefore, your general account as of today

with Swiss Francs 32,000.

we have further debited the security account and credited the guaranty account with corresponding amounts.

Very truly yours,

Adler & Co., A.G.

(two illegible signatures)

**Defendant's Exhibit 75**

**GERMAN REICH POSTAL SERVICE**

076 Telegram

from 76 Budapest 99 40/38 6 1344 FK

Accepted	Year	Time	Day	Transmitted
Day Month	1449		6-6	time
6 6				1535
from f	through RS		to 6224	by M

Office: Ludwigshafen Rhine 1

Dr. Edgar Giuliani Ludwigshafen Rhine

Because of additional violations of law by Koranyi Mining Authority reached decision to order suspension of operations upon my request Mining Authority wishes joint discussion with you and myself wire which time within this week suitable Fritz von Opel Hotel Gellert

Koranyi is my request

Seen:

June 9, 1939  
Foreign Exchange  
Control Office,  
Ludwigshafen



## Defendant's Exhibit 76

## GERMAN REICH POSTAL SERVICE

090 Telegram

from 90 Budapest 80 35/34 7 1202 FK

Accepted

Day Month Year

7/16 1345

by F through Hal

Transmitted

Day Time

7/6 1356

to Giu by Ne

Office Ludwigshafen (Rhine) I

Giulini Lu Rh

[ Receipt Stamp:

Division

Rec'd June 9, 1939

Handled ]

received yesterday's wire kindly advise whether shipments from Edgar and Margot mines actually are made to your firm since otherwise because of non-payment of fees and other contractual violations am compelled to market shipments immediately Opel

Seen: June 9, 1939

Foreign Exchange

Control Office,

Ludwigshafen

Initial

## Defendant's Exhibit 77

Dr. Edgar Giullini

July 19, 1939

Dipl. Ing. Fritz von Opel  
presently Jagdhaus Wilhelmsruh  
nr. Korbecke, Kr. Soest, Westphalia

My dear Mr. von Opel;

Having returned from my trip I hasten to reply to your letter of the 12th inst. receipt of which I had confirmed to you through my office already on July 14. We, too, have been informed in the meantime about the development of the conditions in the mines and with Koranyi. We had once again sent Mr. Lucovnik to Hungary; meanwhile, however, he left, since, due to the unsettled conditions, it was not possible for him to find a way to maintain productive work in the mines. The Balazs Group also, which had given financial assistance to Mr. Koranyi and which was willing to continue such assistance, now seems to have withdrawn in view of the unfavorable statements which you had made to these gentlemen in Budapest at the time regarding the person of Mr. Koranyi.

I am not in a position to form a clear picture of your present attitude towards Mr. Koranyi since I noticed from a newspaper article that, in contrast to your previous aggressive intentions, you have withdrawn your civil suit against Koranyi. It seems certain to me, however, that a continued exploitation of the mines under Koranyi is impossible. Therefore, in order to make any progress in this matter, other ways must be found to avoid any misunderstanding. I believe it proper to present to you once more briefly the attitude of my firm in this entire situation.

My firm maintains that in this whole matter, it went to the limits of the possible, if not beyond. It closed the delivery contract with Koranyi and, by making available to

him large advance payments as well as technical experts, had given him every opportunity to insure orderly operation of the mines. My firm is deeply disappointed by Mr. Koranyi's actions in violation of the contract, and therefore cannot, and furthermore in view of the foreign exchange regulations would be unable, to assume any additional financial guarantees. Thus, if the operation of the mines is to be resumed, the most logical step in the opinion of my firm would be to have your company take over their operation.

You yourself have expressed this idea, making it contingent, however, on the condition that quantities of bauxite far in excess of the Koranyi contract be purchased at the terms and prices of the Bauxit Trust. In order to follow up your proposal, will you please furnish me in detail the prices and other terms at which your firm would deliver. May I ask you right from the start to keep your requirements as low as possible, for increased bauxite imports from Hungary should definitely give us a certain equivalent for our financial support of Koranyi.

If there are no objections from the point of view of the law, we would agree in principle to transfer our mining rights to your company. This could be accomplished within the framework of a general agreement.

Looking forward with interest to further news from you, I remain, with best regards,

Very truly yours,

[sgd] illegible initial



## Defendant's Exhibit 78

(Translated from the German Original)

FRITZ  
VON  
OPELPresently Kempen/Sylt, Norderkliff House  
Tel. Westerland 772

July 31, 1939

Giulini Bros.

Attention Dr. Edgar Giuliani

Ludwigshafen on the Rhine

My dear Dr. Giuliani,

I regret that I delayed answering your kind letter of July 19 for a few days because, unfortunately, Dr. Salusinszky, recently met his death in an automobile accident. Moreover, Ministerialrat Tassonyi was leave and absent from Budapest.

Koranyi.

Concerning the newspaper item mentioned by you Mr. von Kfauz wrote me as follows: "The newspaper item was erroneously interpreted. Dr. Salusinszky never withdrew the lawsuit against Koranyi but merely stayed it pending the duration of the agreement with Koranyi. It is possible to continue the proceedings at any time. At the present time, several criminal charges have been filed against Koranyi and I have been told that he is a steady guest at the Police Office."

I further understand that the mining authorities have ordered all owners, i.e., Lucqvnik, Norhianszky and Trans-

danubia to pay the overdue wages and payments on government charges owed by Koranyi. The mining authorities are particularly interested in the payment of the wages. The half share of wages charged to me is said to be 1,598.31 pengoes. Allegedly, Horiánszky has already paid the wages which were in arrears and I believe that we cannot avoid payment without risking levy of execution or at the very least, the thorough displeasure of the mining authorities.

### *Shipments.*

Upon receipt of an order for about 150,000 tons of which annually 30-40,000 tons would be shipped,—doubling the annual quantity being possible if new mines are opened—I could make shipments at a price of RM 13.20 per ton f. o. b. car or ship Gyöer. Such shipment would be made on the basis of 56% aluminum, 3% silica, and % humidity, the price to be increased or reduced by RM 1.00 for each 1% of an additional or lesser amount of aluminum, and to be increased or decreased by RM 2.00 for each 1% lesser or additional amount of silica. Carloads containing less than 55% aluminum or more than 3% silica will not be shipped.

As to the assumption of Koranyi's liability to which I declared my readiness within the framework of a long-term agreement, the simplest way would be for Transdanubia to undertake that liability towards you, of course, upon assignment of your rights against Koranyi. We are examining at the present time whether that is legally possible, and in particular whether such a step would prevent the re-emergence of Koranyi.

If a solution is found, and I will report to you about that within a few days, I propose that Transdanubia will reimburse you, on a continuing basis, in the amount of

[Note in handwriting: "Is higher"]

RM. 0.60 per ton until the entire liability of RM. 160,000.00 is paid off.

The basic price of RM 13.20 mentioned to you hereinabove is substantially below the price charged by the trust and, in my opinion, will not include the profit margin of 15% considered as adequate by the Mining Authority. Should that profit margin be reached, however, I am ready to pay off the Koranyi liability at a correspondingly faster rate. If, upon examination of the legal aspects of the question, you decide to assume the liabilities of Koranyi mentioned above I shall be willing to advance the corresponding amounts; you may repay them by way of preference, from the reimbursement fund. If you agree with the above proposals which, I believe, would constitute a final settlement of the matter satisfactory to all concerned, please advise me, at an early date, and state the quantities which can be supplied within this year. You can also reach me at any time—best by making a person to person call—by No. Westerland 772.

I remain, with best regards,

very sincerely yours,

(sgd.) FRITZ VON OPEL



## Defendant's Exhibit 79

(Translated from an initialed copy of the German original)

September 8, 1939

of  
Giulini Bros.  
G.m.b.H.  
Ludwigshafen  
on the Rhine

Mr. Fritz von Opel,  
Graduate Engineer  
Presently Hotel "Dolder"  
Zurich

Dear Mr. von Opel:

At the request of Dr. Edgar Giulini who had urgently to go on a short trip, I should like to inform you of the following telegram which we sent yesterday to Mr. Lucovnik, engineer, and to our bauxite mine:

"Have Lucovnik extend time limit set by Budapest Mining Authority in view of general situation and to declare agreement to Sükkösd"

This will show you that we also have caused Mr. Lucovnik to request from the Mining Authority in Budapest an extension of the time limit fixed for September 10 and that we have also agreed with the appointment of Dr. Sükkösd as joint representative.

According to our information you also agree to the appointment of this agent.

At the present we are occupied with getting full control of the mining rights assigned to us in order to clear the way for further arrangements. We shall then again refer to this matter.

With best regards and Heil Hitler,

sincerely yours,

(sgd) F—

## Defendant's Exhibit 80

(Translated from the German Original)

FRITZ  
VON  
OPELPresently Zurich,  
Grand Hotel, Dolder

September 11, 1939

Mr. Heinrich Frick  
of Giulini Bros. G.m.b.H.  
LUDWIGSHAFEN on the Rhine

My dear Mr. Frick,

Thank you very much for your kind letter of September 8. The gentleman whom the Mining Authority has been considering is not Dr. Sükkösd but Oberbergrat [Mining Official] Dr. Somogyi. I request you therefore, to inform your Budapest agent accordingly. I have already declared my agreement to the appointment of Dr. Somogyi.

The most important question, of course, is what is being done about resumption of production. From the reports of my agents I gained the impression that the Mining Authority more than ever insists on continuation of production and, conceivably, may expropriate the mining rights if we do not comply with their wish.

If you are not interested in the shipments it is an easy matter to sell the production elsewhere since everywhere, also in Switzerland, there is a shortage of bauxite because of the war and the blockade. Unless I hear from you to the contrary I assume that you agree that the production may be sold to third parties.

Please give Dr. Giulini my regards,

I remain,

with German greetings  
Your

## Defendant's Exhibit 81

(Translated from an initialled copy  
of the German Original)

Mr.  
Fritz von Opel  
At the present  
Grand Hotel Dolder  
Zürich

9-11-1939

Purch. Rawmat. Fr/bg Sept. 16. 1939

*Istvan Koranyi, Budapest*

We acknowledge with thanks receipt of your letter of September 11, addressed to the individual signing below on the right side. We note from it that the gentleman under consideration by the Mining Authority, Budapest is not Dr. Sükkösd but Oberbergrat (mining official) Dr. Somogyi. We immediately got in touch with our attorney concerning this matter in order to make, if necessary, the correction.

We share your view that, under present conditions the interest and demand for Hungarian bauxite will increase. This situation will also afford to us the opportunity of overcoming the present difficulties. We are also of the opinion that, in view of the mobility which you have as a German residing abroad, and in view of the funds at your disposal; you would do meritorious service for the raw-material supply of the German aluminum industry and the entire war economy of Germany if you would tackle with all your energy the resumption of production in the mines. We ourselves are by all means interested in a resumption of Hungarian bauxite deliveries in view of the present situation and, depending on the possibilities



of production would also urge that the Vereinigte Aluminiumwerke (United Aluminumworks) to whom we sent just recently a sample from the previous Koranyi shipments and possibly, also the Martin Works should take a share of the deliveries.

Please advise us as immediately, if possible, of your reaction to this suggestion.

Very truly yours,

Heil Hitler,

GIULINI Bros. G.M.B.H.  
(initials)

G.

F.

**Defendant's Exhibit 82**

(Translated from the German Original)

**TRANSRADIO-TELEGRAM**

zuerich 29/27 18 152 . 1523 Bros.Giu.Lu

your letter 16th september as before stand by my offer july  
31 upon receipt of order immediately ready to travel  
budapest for purpose of starting production opel

## Defendant's Exhibit 83

(Letterhead of Bayer &amp; Clauson, New York)

August 13, 1936

Dr. Hanns Frankenberg,  
Uebersee Finanz Korporation, A.G.,  
Zurich, Switzerland.

Dear Dr. Frankenberg:

We have received your letter of July 21, 1936 and based upon the figures with respect to traveling expenses and legal fees, have completed the Federal income tax returns of Uebersee Finanz Korporation, A. G., for the year 1935. We are enclosing herewith the original and duplicate copies of the regular income tax return and the personal holding company tax return. The duplicate copies are for your files. The original copies should be signed by two officers and sworn to before the American consul, and should have the corporation's seal affixed. Upon return to us, we will complete our necessary affidavits and will file them before the required date.

As you were informed, these returns were due for filing June 15, 1936, but we have obtained an extension until September 15, 1936 and believe that we can obtain a further extension until December 15, 1936. Based upon the returns as prepared, there is no regular income tax to be paid. The personal holding company tax of \$28,736.64 is payable in quarterly installments, and if the return is filed December 15, 1936, it would be necessary at that time to pay three-fourths of the tax together with interest at the rate of 6% on the quarterly installments due June 15, 1936 and September 15, 1936.

We are also in receipt of your letter of July 28, 1936 with respect to the question of doing business in the

United States. Since we were informed by you in June that Uebersee is no longer a personal holding company, we will eliminate that tax from our consideration. The new tax law does not fully define what constitutes doing business in the United States, but does provide that it does not include the effecting of security transactions in the United States. The law itself, therefore, does not provide an answer to the question of whether the holding of a total or a majority of the stock of an American company by a non-resident foreign company would constitute doing business in the United States. There have been practically no rulings on this general subject and the only one with respect to the present question states that "the mere investment by a foreign corporation of any of its funds in United States securities does not constitute carrying on or doing business in the United States." If the foreign corporation does not exercise its control of the United States company in the United States, does not have an agent or agents act on the board of directors, or as an officer, and merely executes proxies from abroad for stockholders' meetings, it could certainly be argued that the foreign corporation is not carrying on business in the United States. It is possible that the Treasury Department would contend that the possession of control of a United States company in itself constitutes doing business in the United States. However, our opinion is that the answer would be based on the facts in each case, that the mere possession of control does not necessarily involve the carrying on of business, and that it would depend upon whether the foreign corporation by its acts exercised its control in the United States.

As a non-resident foreign corporation not doing business in the United States, Uebersee would only be subject to a flat tax of 15% on interest received and 10% on the full amount of dividends received. As a foreign corporation doing business in the United States, it would be subject to a capital stock tax and an excess profits tax, if



any, and to a regular income tax of 22% on its net income from interest, 15% of any dividends received, profits from securities sold in the United States, less its American operating expenses. In neither case would Uebersee be subject to the present tax on undistributed profits. Under the circumstances where the amount of dividends received was relatively large compared with the other income, less tax would be paid by the foreign corporation if it had an office or was carrying on business in the United States.

For example; take the case of a foreign corporation having interest income of \$50,000.00, domestic dividends received of \$150,000.00, and American operating expenses of \$10,000.00. Under the first case it would pay a tax of \$22,500.00, consisting of \$7,500.00 on the interest and of \$15,000.00 on the dividends. Under the second case it would pay an income tax of \$13,750.00, 22% of its net income determined as follows:

Interest income .....	\$50,000.00
Domestic dividends received	
(less credit of 85% thereof) .....	22,500.00
Total .....	<u>\$72,500.00</u>
Less—American operating expenses .....	<u>10,000.00</u>
Net taxable income .....	<u><u>\$62,500.00</u></u>

In addition, under the second case, it would have been necessary for the corporation to have declared a capital stock value of \$625,000.00 entailing a capital stock tax of \$625.00 in order to avoid an excess profits tax on its net income of \$62,500.00, which tax ranges from 6% to 12%.

The question of the liability of the stockholders of the foreign corporation for United States income taxes on any dividends paid to them by such corporation, would also have to be considered, but the section of the law which

states that dividends received from a foreign corporation, which derives more than 50% of its gross income from sources within the United States, is income from the United States, makes no distinction between resident and non-resident foreign corporations. The present law requires any corporation paying a taxable dividend to a non-resident alien to withhold a tax of 10% of such dividend. As a practical matter with respect to the enforcement of this section of the law, it would not seem to make much difference whether Uebersee was construed as carrying on business in the United States or not. If attempt was made at enforcement, which is not now anticipated, the Treasury Department in either case would attach such assets as were in the United States and would undoubtedly place restraining orders on the American subsidiary companies.

Based upon all of the foregoing, it would appear that it might be advantageous for Uebersee to consider itself as carrying on business in the United States, but without having an office or domicile here, provided that it is going to have a relatively large amount of dividend income as compared with its other income and that it is not going to have large profits from the sale of securities in the United States. In the event of the occasional sale of any of its holdings, it would be necessary to be very particular that such sale was effected and consummated abroad. Under such a set-up it would be necessary for Uebersee to file capital stock tax returns as doing business in the United States, declaring a value sufficiently high to avoid paying any excess profits taxes.

We trust that the foregoing will furnish you with some additional information on the subject of United States taxes, and we are looking forward to hearing from you further in the matter.

Yours very truly

(Signed) BAYER & CLAUSON

Defendant's Exhibit 84

TELEGRAM

New York, June 18, 1936

Bankadler

Zurich

Agreed. Cable accomplishment placements

Frankenberg

Defendant's Exhibit 85

RCA

RADIOGRAM

Received at 102 W 56 Str., New York, June 17, 1936

Zurich

Frankenberg

Pierre Hotel New York

Bankgesellschaft agrees to retention dollars and guaranty of margin of \$20,000 on the part of Adler subject to definite contractual settlement after your return. Stop. Immediate placement possible. Cable

Bankadler



## Defendant's Exhibit 86

## MEMORANDUM FOR DR. FRANKENBERG

*Re: Overseas;*

In pursuance of our memorandum of the 19th inst. we enclose:

1. Copy of our letter of June 20 to Dr. Henggeler,
2. copy of Dr. Henggeler's letter of June 22 to Adler, and
3. copy of the letter by the Bankgesellschaft of June 19 to Dr. Henggeler,
4. copy of the letter by Dr. Henggeler of June 22 to Bankgesellschaft,
5. copy of the statement furnished to the Bankgesellschaft, called "confirmation" (Bestaetigung) in letter No. 4.

In the absence of Dr. Henggeler we have asked the Bankgesellschaft to enlighten us regarding the word "actual" (effektiv). The Bankgesellschaft answered us that it should be understood in the meaning of section 756 of the O.R. (Law of Obligations). This section reads as follows:

"If a draft is made out in a currency which is not in circulation at the place of payment or in an account currency (?), the amount shown on the draft may be paid at the time it becomes due in the local currency, unless the maker has expressly stipulated payment in the currency named in the draft by the usage of the word "actual" (effektiv) or by a similar term."

6. copy of the letter of June 23 by Adler to the Bankgesellschaft,

7. copy of the letter of June 18 by the Bankgesellschaft to Dr. Henggeler. The Bankgesellschaft informed us tonight that the names of the stockholders will be made known to Dr. Henggeler tonight. Thereupon we cabled to Dr. Frankenberg as follows: "Will probably be able to cable names of stockholders tomorrow." Zurich, June 23, 1936.

[Cable of June 23, 1936 by Dr. Frankenberg

"Names need not be furnished", Telephoned (By Dr. Borch) to Henggeler. June 28, 1936]

### Defendant's Exhibit 37

(Translated from an initialled copy  
of the German Original)

*Copy*

[3]

SCHWEIZERISCHE BANKGESELLSCHAFT

Management

Zurich, June 19, 1936.

Dr. J. Henggeler, Attorney,  
Zurich,

Dear Doctor,

We acknowledge receipt of your letter of the 18th inst. regarding the Overseas Finance Corporation, which contains the supplemented draft agreement. It finds our approval, except that in the matter of the dollar transfer, we

would like to see the word: "actual" included, in view of the present international situation; since in our opinion the purchasers of the shares, or later we in our capacity as the bank, as well as later on at the repurchase, the Frima Verwaltungsanstalt, Vaduz would have to furnish actual dollars for capital and dividend. Should the agreement already be signed, the "actual" clause may be included in a separate letter. We believe that this would be to the advantage of both parties. Furthermore, under section 2 in the purchase agreement should be included that the transfer tax stamp, not only the one for the sale but also the one for the option, charged to the seller, that is to the Frima Verwaltungsanstalt, Vaduz. Under section 3, fourth line, the supplement "free from the Swiss coupon tax" is missing.

We are looking forward to receiving the agreement for signature, and meanwhile we shall make the necessary preparations with the buyers. We have 14 to 16 persons and firms in prospect, to whom we intend to allot differing amounts; so that the set-up does not appear too artificial. We are prepared to meet with you in the near future for the final clarification of the correspondence and the figures connected with it.

As you may recall, we have provided for the Bank in Baden to act as agency holding the shares. A short agreement with this bank would have to be concluded, stipulating a modest trusteeship fee.

Very truly yours,

SCHWEIZERISCHE BANKGESELLSCHAFT

\* As provided for in Convention IV. of the Schweizerische Bankvereinig-  
gung, that is, 50 cents per Fr. 1,000 of capital.



## Defendant's Exhibit 88

November 14th, 1939

Air Mail

Registered.

Messrs. Leslie, Strachan Co.  
Chartered Accountants,  
Standard Bank Chambers,  
P.O. Box 45,

*Dar es Salaam.*

Dear Sirs,

We are in receipt of your letter dated October 23rd and beg to hand you enclosed certificate from the Union Bank of Switzerland, Zurich, duly legalised by the British Consulat General, Zurich, which you may present to the Custodian. We assume that this certificate will induce the Custodian to convince himself that all holders of our shares are of Swiss nationality. At the same time he may gather from it that Mr. von Opel is not a shareholder of our company. For these reasons we presume that the release of our property will take place in due time.

On this occasion we wish to state that at the time we have assigned our claim against the estate of the late R. N. Clark to Messrs. Adler & Co. Société Anonyme, Zurich. You would oblige by informing us about the present situation of this matter as well as when the entry of this amount might be expected.

Thanking you, we are, dear Sirs,

Yours faithfully

## Defendant's Exhibit 89

(Letterhead of Leslie, Strachan &amp; Co.)

C.34/9849

Dar es Salaam,  
Tanganyika Territory

23rd October, 1939

Messrs. Overseas Finance Corp. Ltd.,  
LIESTAL,  
Switzerland.

Dear Sirs,

We are obliged for your letter of 6th October which reached us last week by airmail.

The certificate from the Union Bank of Switzerland has been submitted to the Custodian of Enemy Property here. Our translation of the German is as follows: "97 parts are lying with us and are in Swiss possession" and the Custodian points out that the actual ownership of the shares is not stated.

Would you please therefore obtain from the Bank a similar letter giving the names of the actual holders of the shares at 3rd September 1939 and their nationality in each case. Should the 97 shares, or a majority of them, be held by a company the Custodian will eventually require similar information regarding the holding company.

It is believed locally that Mr. von Opel is a German subject and a majority shareholder in your company and the Custodian requests full information regarding his relation to the company.

At the same time we could point out that your estate has not been confiscated. The Custodian, following the internment of the manager, placed watchmen and care-

takers on the estate to safeguard the assets. These, he will be pleased to withdraw on receipt of evidence that the estate belonged at 3rd September last to neutral subjects.

It will assist us if you will include an English translation of any certificate obtained from the Bank.

We are informed that Mr. Tessin was a member of the Nazi party and although some of the internees have been released, there is no immediate possibility of his being released on parole.

Yours faithfully,

(Signed) LESLIE, STRACHAN & Co.

### Defendant's Exhibit 90

TRANSDANUBIA BAUXIT R.T.

TRANSDANUBIA BAUXIT A.G.

BUDAPEST, February 4, 1942  
V Bathory-utca 5

Giulini Bros., G.m.b.H.

LUDWIGSHAFEN ON THE RHINE

Subject: Bauxite

Your Div'n and Initial:

Purch. Raw Mat, Fd/Me.

Referring to your letter of January 23, 1942, we wish to advise you as follows:

If we deduct the 1566.9 tons finally settled in lot 1 from the 1608.1 tons shipped in October, the difference is 41,200 kg instead of 56,900. If this weight is added to the 1608.1



tons the weight to be settled in lot 2 properly amounts to 1649.30.

The quantities established by you for the November shipment fully agree with the weights set forth in the bills of lading; on that basis the full weight of lot 3 is 1,189,400 instead of the 1,189,350 kg. claimed by you.

The difference in the December shipment (Lot 4) is only 50 kg. and the proper weight is 617,000 kg. We have gratefully noted your correction in that respect.

We have most rigorously urged our plant management in Zalahalap to handle the advices immediately, and in the promptest fashion. These mistakes are solely due to the fact that substantial changes occurred in the personnel of our plant management.

Very truly yours,

TRANSDANUBIA BAUXIT AKTIENGESellschaft

(sgd.) SOMOGYI DR. TIMAR

**Defendant's Exhibit 91**

(Translated from an initialed copy of the German Original)

Fritz von Opel, presently  
Grand Hotel Dolder  
Zurich

T.9-18-1939

Dr. Edg. G. /Bg

Sept. 19, 1939

*Istvan Koranyi, Budapest*

Dear Mr. von Opel,

We acknowledge with thanks receipt of your telegram which reads as follows:

Your letter 16th September as before stand by my offer July 31 upon receipt of order immediately ready to travel budapest for purpose of starting production Opel

We noted that you stand, as before, by your offer of July 31 and thereupon promptly got in touch with the V.A.W. and the Martin Works in order to make it possible, by their participation in the receipt of deliveries, to give you a total order up to 150,000 tons. We have communicated to both firms the prices for shipment and the conditions of your offer of July 31 and, upon receiving their reply, will immediately refer to the matter again. If you should plan to leave Zuerich within the next few days we should like to ask you through which address mail will reach you most quickly.

We greet you with

Heil Hitler!

GIULINI Bros G.m.b.H.

(initials) G F /

## Defendant's Exhibit 92

(Translated from an initialled copy of the  
German original)

Fritz von Opel  
presently  
Grand Hotel Dolder  
Zurich

Purch. Rewmat. Fr./Bg Oct. 4, 1939

*Istvan Koranyi, Budapest*

Dear Mr. von Opel:

We confirm our letter of September 19 and regret to be unable today to give you any final statement concerning your offer of July 31, 1939.

As a result of our efforts to induce also the firms of V.A.W. and Martin Works to participate in the receipt of bauxite deliveries we have, in the meantime, first heard from the V.A.W. that they have no interest in such participation because of the price which they say is too high while the Martin Works for the time being, has advised us of no more than its agreement in principle to a participation in accepting bauxite shipments. Thereupon the three firms have agreed to meet again in the immediate future for a discussion of the bauxite problem. We will then give you further information.

We will again refer to the question of a joint representative if we have information about the matter from Budapest.

We greet you with

Heil Hitler

GIULINI BROS. G.m.b.H.

(initials) G F.



## Defendant's Exhibit 93

(Translated from the German Original)

FRITZ  
VON  
OPEL

Dolder, Zurich, October 28, 1939

Mr. Heinrich Frick  
Hoefenstr 2  
Mannheim

Dear Mr. Frick,

Since my trip to the United States is impossible at the present time I intend to go to Hungary, instead. I would be grateful to you, therefore, if you would let me know what result the conference of your firm with the two other refineries has had.

I intend to stay for several weeks in Hungary, beginning November 10 and would be very pleased if, on this occasion, we could meet in Budapest.

I remain,

Sincerely yours,

(sgd) FRITZ VON OPEL

## Defendant's Exhibit 94

(Translated from an initialled copy  
of the German original)

Mr. Fritz von Opel  
presently  
Grand Hotel Dolder  
Zurich

— 10-28-1939 Purch. Rewmat. Fr./Bg Nov. 4 1939

*Istvan Koranyi, Budapest*

Dear Mr. von Opel;

We acknowledge receipt of your letter of October 28 addressed to the individual signing on the right which has just now reached us. We advise you in reply that, both, the Martin Works and our firm are disposed, now, as they were before, to accept, bauxite shipments from the Koranyi mines whereas the V.A.W.—as we informed you already—cannot see their way to take part in this deal because of the price which they say is too high.

A substantial change in the situation, however, has occurred as a result of the bankruptcy of Koranyi which, we assume is known to you. It is therefore a fortunate co-incidence, that because of your postponement of your trip to the United States you now intend to stay for several weeks in Hungary in order to be able to observe the development of the matter on the spot.

Please advise us whether you will again stay in the Hotel "Gellert" so that, if necessary, we can get in touch with you by letter since a trip to Budapest will not be possible for us in the immediate future.

Heil Hitler!

Giulini Bros. G.m.b.H.  
(initials) G. F.

## Defendant's Exhibit 95

FRITZ  
VON  
OPEL

Grand Hotel Dolder, Zürich, November 10th, 1939.

Mr. Walter E. Guyette  
Harvard Brewing Co.  
Lowell, Mass.

My dear Walter,

This is to acknowledge receipt of your letter of Sept. 30th which is so full of pleasant facts and figures that it is really outstanding among the news one is used to get nowadays. The last weeks have been very stormy indeed for everybody in the old country, and there were so many things to arrange and to care for that I had to restrict all communications to U. S. A. to a bunch of cables which I exchanged mostly with Mr. Ulrich.

It was therefore comforting for me to know you at the steering wheel of the Harvard ship, clearing out in time of dangerous storm-zones and paddling along now in a calm sea and sunshine.

I was very sorry indeed not to have been able to pay you my regular visits but until September my broken leg was not yet fit for a longer trip and then in October I twice had to cancel my reservations on account of still more urgent matters. I am now on the way to Hungary to speed up production in my bauxite-mine but I hope to be home in St. Moritz for Christmas.

It was my idea to bring you personally an invitation to St. Moritz for any time in January or February but I am afraid now that you, as far away American and not used to war as we are, might look upon an invitation to



Europe more as a liability instead of an asset. In my opinion of course there would be no danger at all, using an Italian liner to Genua, from where it is a short ride of about 8 hours to St. Moritz. Food is not rationed yet in Switzerland, nor is liquor and wine, neither girls nor sun. So I could guarantee you an all round pleasant stay, whether you want to come alone or bring Mrs. Guyette along. In case Italy would go into war, or Germany would start fighting England with the throttle wide open, then naturally you would better postpone your visit to the first winter after the war. You have to make your own decision but please keep in mind that it would be all too pleasant for me to see you after so long a time and to discuss with you in details all the problems Harvard is confronted with.

I don't know if you remember the last meeting in Mr. Clauson's office when we tried to calculate the probable barrelage of the past season. My figure has been by far the highest viz. 185'000 and I am now, as you surely believe, not only proud of my exact calculation but even more proud of all the men under your leadership who managed to pass this figure by 300 barrels. I think it would be worth while if we all, you, Ulrich, Protzman, Clauson and I would do some calculating again as to the barrelage of the coming season and then use the average so arrived at as basic figure for the budget. As my guess in the "calculation-competition" is, I want you to enter the figure of 203'000 barrels (I hope you are not afraid of the high expectations.) I earnestly believe that it would be much more practical to have the budget figured on 200'000 barrels than on a lower figure which we are sure to overshoot. The gone years budget showed 50'000 \$ profit on a production of 150'000 barrels what means that the "breaking even point" lies at around 135'000 barrels. In all circumstances it should be left there or even brought down by virtue of all experience we gathered in the meantime.

As to the earnings they look less favourable than the sales. I did not yet receive the statement per September 30th but I figure the total earnings for the fiscal year to be around 165'000 \$. This figure is, as I have to confess, exactly 25,000 \$ lower than I expected, due to the fact that the 35,000 barrels above the budget did not bring 4\$ net profit per barrel, as I assumed, but only 3.25 \$. Assuming the same rate of expenses for next year (based upon 200'000 barrels), the earnings would be 222'000, whereas, according to my former calculation, it should be 262'000.—

As soon as the final figures are available, I am going to analyze them but as there was no change in cost of material, either I must have been wrong in calculating the savings realizable by plus-production or some of the departments did not succeed in getting the full amount of savings I figured with.

Your assistance in solving the problem I am puzzled with is the following:

In last year's budget we figured with 150'000 barrels and net earnings of 50'000 \$, each barrel of the basic production being charged with definite amounts of different expense items. The moment the production runs above the basic figures, the rate of expenses changes, for instance the net cost of material per barrel produced will be as high as before or will remain 100% of the basic costs.

On the other hand general and administrative expenses, being already absorbed by the basic production, will be null percent i.e. can be disregarded at all. In between lie different items f.i. delivery which is reduced to say 20%, it being nearly equal if a truck unloads 2 or 3 barrels at the time. Coöperation on a big scale ought to be more economical and so other items. In other words, it must be possible to calculate exactly the savings of plus-production by analyzing each expense as to its influence on same. It is hard to explain in a few words what I mean but I hope you understand the principal I am after and I feel that

with these figures at our disposal we should better than now be able to check the expenses within the different departments.

There's one more question left. I was very much embarrassed to see the prices of all farm products shoot up, whether such a rise is unjustified, as I believe, or not, I don't know yet to what an extent hop and malt went up, or to put it better, how crazy the people got who sell it. I hope anyhow that you stuck to the plan we agreed upon viz: to have so big a stock and forward orders on hand to cover our supply for at least 1 1/2 years. Please let me know some details.

While having this letter typed I received your letter of October 30th. I fully share your views regarding Arthur Sullivan and his law-firm and I am convinced that the new arrangements you made, will work out satisfactory to all concerned. The promotion of Hughes Sudall to the position as secretary must be applauded in every respect, as he already did the work and he is able and willing to render to the company his best services.

Sullivan's resignation however leaves the question open of who in the future is going to look after the special problems he was supposed to solve. You certainly remember the numerous discussions we had regarding our policy in respect to the import of beer into the state of Massachusetts. I mentioned five different ways, all of which should lead to an increase of Mass. production against the out-of-state breweries:

1. I suggested one or the other form of import-tax and while I personally had some doubts as to its possibility, Sullivan felt that it should be possible to have a 1 or 2 \$ tax per barrel imposed upon the imports.
2. I suggested that the commonwealth should create a kind of "health-certificate" with the effect that all breweries selling in Mass. should be checked monthly



by Mass. commissioners in respect of the sanitary conditions and their production facilities. The cost of such control should be based on each single brewery's capacity and the time used for this inspection. My idea was that this would place an extra burden upon the out-of-state competitors, most of them being large and far-away breweries.

3. We discussed the discrimination against Mass. products, caused by our paying taxes in advance, whereas the out-of-state brewers were, in many cases, not taxed at all on account of their distributors or wholesalers having gone broke in the meantime.
4. I mentioned the unfair competition i.e. the unjustified price-cutting, masterfully engineered by some out-of-state brewers of lesser reputation for whom our commonwealth is just one more dumping ground. Such a practice is undoubtedly illegal and I told Sullivan to go after these boys and establish a test case as quick as possible, what he promised to do.
5. We discussed the engagement of a first class lawyer or political talent by the Mass. brewers association, who should work along the lines mentioned and who, furthermore, should look to a really brotherly unification of all Mass. brewing interests. I suggested, as you certainly remember, some joint advertising which should emphasise the importance of the Mass. brewing industry to all trades and the heavy losses especially to Mass. labour and wage earners, caused by the import of beer.

The underlying idea of all these suggestions was that half of the supply of beer consumed in Mass. comes from out-of-state. It always seemed unwise to me to fight our neighbours in some or the other dirty way (Hofacker's

famous green ale) instead of uniting our efforts and hick-  
ing the enemy where he really is viz. out-of-state. There's  
plenty of room in Mass. for all Mass. brewers and we all  
could run with full capacity if we only succeeded in re-  
ducing the common enemy's share in the mass. market  
from  $1/2$  to  $1/3$ . For Harvard it would mean a rise from  
200'000 to 266'000 barrels, or based on the present earning  
power—a net-income of 430'000 \$.

You see it is worth while to go after these things and it  
drove me mad that so far Sullivan did not show any re-  
sults. It is up to you now to choose or supervise the right  
man, able and willing and full of energy to do the trick.

It is most welcome to me that you have been elected to  
the board of the U. S. Brewers Association, this being not  
only a well served honour to the brewery but also to your-  
self. It means even more to the association itself. I doubt  
whether there is another brewer in the states who can  
compare in good looks to our president!

Now at least a few words about the preferred shares  
matter. Although sharing your views in most of the points,  
I cannot agree to, that subscription and sale of the pre-  
ferred stock was in any way against the interest of the  
holders of the common stock. Every single stockholder  
was entitled to subscribe and to buy his equal share what  
however was not done by virtue of the fact that, as you  
mention in your letter, the conditions in the brewery were  
quite uneasy and the common stock quoted far below par  
at the respective time. I am therefore quite satisfied that  
the mere misunderstanding is settled, as the firm of  
Bleichroeder & Co. and all office partners were very helpful  
to me in a lot of respects.

Now to the last paragraph of your letter. When I saw  
the war coming and when I thought of the ill feelings or  
even the hate it might bring along towards Germany, I  
felt I should not endanger the interests of the Overseas  
Finance Corporation and the even more important inter-  
est of Harvard itself, by continueing in my position espe-

cially as director of Harvard. Today however things became different. After 10 years of residence in Switzerland, I was able to acquire another nationality. I felt myself obliged to do so in the endeavour of protecting the interests of all people and companies in your country and abroad. I am connected with and you therefore can rest assured that there is not the slightest change in our relationship. As I already cabled you I will be always at your disposal either for the company or for you personally.

As I might not be able to write to you in time for Christmas, I take this opportunity to send you and all your men, especially Dr. Jurst, Mr. Protzman, Mr. Dionne and Mr. Gross my best wishes. Shortly after Xmas I hope to have the pleasure of seeing you in St. Moritz.

I remain, dear Walter, with best personal regards,

Yours sincerely,

Fritz v. Opel

### Defendant's Exhibit 96

(Translated from the German original)

FRITZ  
VON  
OPEL

St. Moritz, House Kulm  
April 13, 1940

Dr. Edgar Guilini  
Guilini Bros. G. m. b. H.  
Ludwigshafen on the Rhine

Dear Dr. Guilini:

I take the liberty of restating in writing the contents of our telephone conversation which we had this morning. According to Dr. von Krausz, the Mining Authority, at



the beginning of this week, has objected to the start of production on the ground that we were required to pay not only the overdue wages amounting to about 3000 pengoes a payment to which both of us had long agreed but, in addition, the wages for two weeks' notice in the amount of about 4400 pengoes. Moreover, from the Korany are unpaid social insurance contributions and the constantly disputed claims of the property owners are due. Mr. von Krausz believes to be able to satisfy the social insurance with 1500 pengoe and the property owners with 3000 although they ask much more; accordingly, a total of 8900 pengoes would have to be additionally paid.

Although our agreement clearly provides that we will pay these overdue fees one half share each, I thought it nevertheless correct to advise you of the matter and to obtain your consent to the payment. It goes without saying that we will take no action without informing Dr. Ballay appropriately.

I further gratefully noted that you will see to it that funds are made available in the Clearing procedure as quickly as possible since we cannot ship without being paid because the Hungarian banks refuse—a thing which I cannot understand—to advance pengoes on claims payable in marks. In view of the impossibility of transferring foreign exchange from Hungary, particularly in view of the worsening balance of payments of Hungary, you will understand that I would like to avoid to have excessive foreign exchange funds frozen beyond those already invested. Of course, I share your opinion that, within a few weeks, the entire dealings will run smoothly so that, in the long run, both of us, as I hope, will derive pleasure from our business association.

On April 16, I am leaving on the Conte di Savoia for the United States where you can reach me, if necessary, at the address set forth below. If I can render you any service in the United States in business or private matters, I shall of course be glad to do so.

Hoping to be able to see you soon again, I remain with  
kind regards,

yours sincerely

(signed) FRITZ VON OPEL

Fritz von Opel  
c/o Bayer & Clauson  
67 Wall Street  
New York City  
Telegram Address Byaclauson

**Defendant's Exhibit 97**

(Translated from the German original)

[Enclosure to letter Dr. Ballay of 3-20-40]  
Budapest, March 14, 1940

To Messrs.  
Giulini Brothers  
Ludwigshafen

[Stamped Received March 26, 1940]

We acknowledge receipt of your letter of March 6, 1940  
which reads as follows:

Ludwigshafen, on  
the Rhine, March 6, 1940

Transdanubia Bauxit A.G.  
Budapest

On the basis of the negotiations conducted by your  
Mr. Fritz von Opel, on the one hand, and by our attor-  
ney-in-fact, Dr. Georg Ballay, attorney at law in Buda-  
pest, we confirm the fact that we concluded with you  
the following supply contract:

You undertake to ship to us 100,000 tons of bauxite at a basic price of RM 10.00 (ten reichsmarks) f.o.b. car Suemeg or Zalahalep stations (Komitaf (country) Zala, Hungary), shipment to be made from the "Margot I-IV" and "Edgar" mines, one half of which is owned by you, one half by Mr. Lucovnik, engineer, and subject to the following conditions:

**Quality:** the bauxite which is to be supplied shall contain not less than 55%  $\text{Al}_2\text{O}_3$  and not more than 4%  $\text{SiO}_2$ .

The quality shall be determined for every 1000 tons supplied. The procedure to be followed in making the analysis shall be subject to a special provision entitled "bauxite analysis" which was signed simultaneously with this agreement by the parties. The costs of the analysis shall be borne in equal parts by both parties.

**Discounts and additional payments:** The basic price of RM 10.00 shall refer to a quality of bauxite containing 58%  $\text{Al}_2\text{O}_3$  and 3%  $\text{SiO}_2$  and exhibiting a humidity of 7%.

[stamped: Contracts folder]

If the bauxite which is supplied shall contain more or less  $\text{Al}_2\text{O}_3$ , RM 1.00 for each 1% and ton shall be added or deducted, as the case may be. If the bauxite should contain more or less than 3% silicic acid, RM 2.00 for each 1% and ton shall be deducted or added as the case may be.

Shortages because of humidity in excess of 7% shall be made up by compensating shipments made without charge. One half of the freight charges to the German frontier shall be charged to you and will be credited to us. You are at liberty to pay off the credit thus accruing in our favor by making shipments to us without charging us therefor.